

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Financial Statements
December 31, 2012

Independent Auditor's Report

Webster Parish Tax Assessor
Minden, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and the major fund of the Webster Parish Tax Assessor as of and for the year ended December 31, 2012, and the related notes to the financial statements which collectively comprise the Assessor's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these basic financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Webster Parish Tax Assessor as of December 31, 2012, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis listed as required supplementary information (Part I) in the table of contents and the schedule of funding progress for retiree health plan on page 27, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tax Assessor's basic financial statements. The budgetary comparison schedule listed as required supplementary information (part II) in the table of contents is presented for purposes of additional analysis, as required by the Governmental Accounting Standards Board, and is not a required part of the basic financial statements. The budgetary comparison statement is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated June 30, 2013, on my consideration of the Webster Parish Tax Assessor's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Webster Parish Tax Assessor's internal control over financial reporting and compliance.



Mansfield, Louisiana
June 30, 2013

REQUIRED SUPPLEMENTARY INFORMATION
(PART I)

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

WEBSTER PARISH TAX ASSESSOR

Minden, Louisiana

Management's Discussion and Analysis For Year Ending December 31, 2012

This section of the Webster Parish Tax Assessor's (the Assessor or Office) annual financial report presents our discussion and analysis of the Assessor's financial performance during the fiscal year that ended on December 31, 2012. Please read it in conjunction with the Assessor's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Webster Parish Tax Assessor's net position increased by \$283,377 or 9% in December 31, 2012 compared to an increase of \$244,294 or 8% in 2011.

Beginning net position was restated by \$15,420 from \$3,197,999 to \$3,213,419 due to an overstatement of the Other Postemployment Benefit (OPEB) liability in prior years. The OPEB expense decreased from \$341,413 in 2011 to \$216,624 for 2012. The Assessor recognizes a noncurrent liability for OPEB of \$1,058,822 for 2012 in the Statement of Net Position.

Property taxes decreased \$1,000 (0.06%) to \$1,802,101 during the year ended December 31, 2012 compared to \$1,803,101 during 2011.

The Webster Parish Tax Assessor's total general and program revenues were \$2,003,652 compared to \$1,999,867 in 2011.

During the year ended December 31, 2012, the Assessor had total expenses (excluding depreciation of \$72,755) of \$1,647,520 compared to \$1,681,520 in 2011.

OVERVIEW OF FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the basic financial statements which include government-wide financial statements and fund financial statements. These two types of financial statements present the Assessor's Office's financial position and results of operations from differing perspectives, which are described as follows:

Government-Wide Financial Statement

The government-wide financial statements report information about the Assessor's Office as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Office's assets and all of its liabilities. All of the Office's activities are classified as governmental activities in the government-wide financial statements. The governmental activities are financed primarily by property taxes and related revenue sharing.

Fund Financial Statements

Fund financial statements provide detailed information regarding the Office's most significant activities and are not intended to provide information for the Office as a whole. Funds are accounting devices that are used to account for specific sources of funds. All of the Office's funds are limited to its general fund, which is classified as a Governmental Fund. This fund is used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental fund uses a modified accrual basis of accounting that provides a short-term view of the Office's finances. Assets reported by the governmental fund are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information. This section includes budgetary comparison schedules for the General Fund. Annual budgets are prepared on the cash basis. There is also a schedule of funding progress for the retiree health plan (OPEB).

FINANCIAL ANALYSIS OF THE ASSESSOR'S OFFICE AS A WHOLE

Net position may serve over time as a useful indicator of the Webster Parish Tax Assessor's financial position. The total net position changed from a year ago, increasing from \$3,213,419 to \$3,496,796.

Current year net position reflects capital assets with a historical cost of \$1,043,436 and accumulated depreciation of \$609,031.

A portion of the Assessor's net position, \$434,405 (12.42%) reflects its investment in capital assets such as buildings, equipment, and software, less any related debt used to acquire those assets that are still outstanding compared to \$493,665 (15.36%) as of December 31, 2011. The Assessor uses these capital assets to provide services to the citizens of the parish; consequently, these assets are not available for future spending.

The largest portion of the Assessor's net position of \$3,062,391 (88%) as of December 31, 2012, and \$2,719,754 (85%) as of December 31, 2011, is unrestricted and may be used to meet the ongoing obligations to the citizens of Webster Parish.

	12/31/2012	12/31/2011
Assets		
Cash	\$ 2,281,234	\$ 2,225,734
Tax Receivables	1,830,829	1,371,831
Prepaid Insurance	12,991	12,749
Capital Assets, Net of Depreciation	434,405	493,665
Total Assets	<u>4,559,459</u>	<u>4,103,979</u>
Liabilities		
Current:		
Accounts Payable	3,821	15,685
Salaries and Benefits Payable	20	5,713
Deferred Revenues	-	26,964
Noncurrent Liabilities		
Other Postemployment Benefit Obligation	1,058,822	842,197
Total Liabilities	<u>1,062,643</u>	<u>884,559</u>
Net Position		
Unrestricted	3,062,391	2,719,754
Net Investment in Capital Assets	434,405	493,665
Total Net Position	<u>\$ 3,496,796</u>	<u>\$ 3,213,419</u>

An analysis of the government-wide Statement of Activities is presented as follows:

Revenues	12/31/2012	12/31/2011
Program Revenue		
Charges for Services	\$ 15,190	\$ 15,602
General Revenue		
Property taxes	1,802,101	1,803,101
State Revenue Sharing	161,592	163,285
Miscellaneous income	18,866	13,800
Investment Earnings	5,903	4,079
Total Revenue	<u>2,003,652</u>	<u>1,999,867</u>
Program Expenses		
General Government	<u>1,720,275</u>	<u>1,755,573</u>
Change in Net Position	283,377	244,294
Net Position Beginning, restated	3,213,419	2,969,125
Net Position Ending	<u>\$ 3,496,796</u>	<u>\$ 3,213,419</u>

As the above presentation demonstrates, the Assessor's Office has increased its reserves by \$283,377 or 9%.

The Webster Parish Tax Assessor received \$1,802,101 (89.9%) and \$1,803,101 (90.2%) of its total revenues through property taxes during 2012 and 2011, respectively.

Approximately 0.8% (\$15,190) of the Fund's total revenues was derived through charges for services compared to 0.8% (\$15,602) in 2011.

The Assessor's general government program expenses decreased \$35,298 or 2% over 2011.

The Office continues to have a sizeable amount of net position. This financial trend is expected to continue in the near future.

FINANCIAL ANALYSIS OF THE ASSESSOR'S FUND

For the year ended December 31, 2012, differences between the government-wide presentation and the fund financial statements were due to acquisition of capital outlays, depreciation charges associated with capital assets and differences in deferred property tax revenue, other postretirement benefit obligations, and notes payable.

GENERAL BUDGET BUDGETARY HIGHLIGHTS

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Assessor complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-RS 39:1301 et seq.). The Assessor's budget was not amended during 2012. The actual revenues were \$22,267 above the budgeted amounts. The actual expenditures were \$220,368 (13%) less than the budgeted amounts,

CAPITAL ASSET ADMINISTRATION

For the year, ended December 31, 2012, capital asset acquisitions included office improvements to a satellite office and an ice machine. There were no deletions from capital assets.

DEBT ADMINISTRATION

At December 31, 2012, the Assessor had no debt on capital assets.

ECONOMIC FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS

At the present time, no known issues are expected to have a significant impact on future operations. The 2013 budget was prepared based on 2012 results with adjustment for expected increases or decreases in revenue and expenditures.

REQUEST FOR INFORMATION

This report is designed to provide a general overview of the Webster Parish Tax Assessor's finances and seeks to demonstrate the Assessor's accountability for the money he receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Morris Guin, Assessor, P. O. Box 734, Minden, Louisiana, 71058.

BASIC FINANCIAL STATEMENTS

WEBSTER PARISH TAX ASSESSOR

Minden, Louisiana

GOVERNMENTAL FUNDS BALANCE SHEET / STATEMENT OF NET POSITION

December 31, 2012

	Governmental Funds Financial Statements Balance Sheet		Government-wide Statements Statement of Net Position
	General Fund	Adjustments	
ASSETS			
Cash and cash equivalents	\$ 2,281,234	\$ -	\$ 2,281,234
Accounts receivables	1,830,829	-	1,830,829
Prepaid expenses	-	12,991	12,991
Capital assets net of accumulated depreciation	-	434,405	434,405
TOTAL ASSETS	\$ 4,112,063	447,396	4,559,459
LIABILITIES			
Accounts payable	\$ 3,821	-	3,821
Salaries and benefits payable	20	-	20
Other postemployment benefit obligations	-	1,058,822	1,058,822
TOTAL LIABILITIES	3,841	1,058,822	1,062,663
DEFERRED INFLOW OF RESOURCES			
Deferred ad valorem revenue	48,687	(48,687)	-
FUND BALANCE/NET POSITION			
Fund Balances:			
Unassigned	4,059,535	(4,059,535)	-
TOTAL FUND BALANCES	4,059,535	(4,059,535)	-
TOTAL LIABILITIES, DEFERRED INFLOW, AND FUND BALANCE	\$ 4,112,063	(3,049,400)	-
Net Position:			
Net investment in capital assets		434,404	434,404
Unrestricted		3,062,392	3,062,392
TOTAL NET POSITION		\$ 3,496,796	\$ 3,496,796

Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Position of Governmental Activities on the Statement of Net Position

Total Fund Balance	\$ 4,059,535
Prepaid expenses involve payment with current financial resources that are attributable to fiscal periods beyond the end of the current fiscal year	12,991
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	434,405
Unavailable ad valorem taxes are reported as liabilities in the Governmental Funds, but are reflected as income in the Government-Wide Financial Statements	48,687
OPEB obligations are not due and payable in the current period and, therefore, are not reported in the funds.	(1,058,822)
Total Net Position	\$ 3,496,796

WEBSTER PARISH TAX ASSESSOR

Minden, Louisiana

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE /
STATEMENT OF ACTIVITIES**

For the year ended December 31, 2012

	Governmental Fund Financial Statements Statement of Revenues, Expenditures, and Changes in Fund Balances		Government-wide Statements Statement of Activities
	General Fund	Adjustments	
EXPENDITURES/EXPENSES			
General Government-Taxation:			
Personal services & related benefits	\$ 1,218,880	\$ 216,624	\$ 1,435,504
Operating expenses	74,922	(242)	74,680
Material & supplies	91,056	-	91,056
Travel & other charges	46,280	-	46,280
Capital outlays	13,495	(13,495)	-
Depreciation	-	72,755	72,755
TOTAL EXPENDITURES/EXPENSES	1,444,632	275,642	1,720,275
PROGRAM REVENUES			
Charges for services	15,190	-	15,190
TOTAL PROGRAM REVENUES	15,190	-	15,190
NET PROGRAM EXPENSE	1,429,442	275,642	1,705,085
GENERAL REVENUES			
Property taxes	1,808,116	(6,015)	1,802,101
State revenue sharing	161,592	-	161,592
Miscellaneous income	18,866	-	18,866
Investment earnings	5,903	-	5,903
TOTAL GENERAL REVENUES	1,994,477	(6,015)	1,988,462
NET CHANGE IN FUND BALANCE/ CHANGE IN NET POSITION	565,035	(281,657)	283,377
FUND BALANCE / NET POSITION			
Beginning of the year, restated	3,494,500		3,213,419
End of the year	\$ 4,059,535		\$ 3,496,796

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities

Net Change in Fund Balance \$ 565,035

Governmental funds report expenses that involve payments with current financial resources, such as insurance, in the year in which it is paid. In the Statement of Activities, payments that are attributable to current periods are

Increase in prepaid insurance 242

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in fund financial statements, but are reported in the governmental activities of the Statement of Position

Capital outlays 13,495
Depreciation (72,755)

Revenue in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. The change in deferred revenue is, therefore, not included. (6,015)

OPEB expenses reported in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (216,624)

Change in Net Position \$ 283,377

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

WEBSTER PARISH TAX ASSESSOR

Minden, Louisiana

Notes to the Financial Statements As of and for the Year Ended December 31, 2012

INTRODUCTION

As provided by LSA-RS 47:1901, the Assessor is elected by the voters of the parish and serves a four-year term. The Assessor enumerates, lists, and assesses all real and movable property in the parish, subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniary responsible for the actions of the deputies.

The Assessor's office is located in Minden, Louisiana. The Assessor employs sixteen employees, including fourteen deputies. In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The Assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Webster Parish Tax Assessor have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

In June 2011, the GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components; assets, deferred outflows of resources, liabilities and deferred inflows of resources. This statement is effective for periods beginning after December 15, 2011. The adoption of GASB 63 does not have any impact on the Assessor's financial statements, other than to change the name of the Statement of Net Assets to Statement of Position.

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 properly classifies and recognizes certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources. The provisions of this statement are effective for financial statements for periods beginning after December 15, 2012 although the Assessor elected to early implement statement 65 in calendar year 2012. The adoption of GASB 65 added deferred inflows of resources to the governmental fund balance sheet.

The significant accounting policies established in GAAP and used by the Webster Parish Assessor are discussed below.

A. REPORTING ENTITY

Governmental Accounting Standards Board Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. For financial reporting purposes, in conformance with GASB Statement No. 14, the Webster Parish Tax Assessor includes all funds that are within the oversight responsibility of the Assessor. Oversight responsibility is determined on the basis of appointment of governing body, ability to significantly influence operations, accountability for fiscal matters, and the nature and significance of an organization's relationship with the primary government. Based on consideration of the foregoing criteria, the Assessor is deemed to be a separate reporting entity.

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. REPORTING ENTITY (continued)

For financial reporting purposes, the Assessor includes all funds and activities that are controlled by the Assessor as an independently elected official. The Assessor is solely responsible for the operations of his office, which includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Webster Parish Police Jury maintains and operates the building which the Assessor's office is located.

B. BASIS OF PRESENTATION

The Webster Parish Tax Assessor's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations. The major governmental fund of the Assessor is described below:

General Fund. The General Fund, as provided by Louisiana Revised Statute 47:1906 is the primary operating fund of the Assessor and is used to account for the operations of the Assessor. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Assessor's policy,

C. MEASUREMENT FOCUS / BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues, expenditures, expenses, and transfers—and assets, deferred outflows of resources, liabilities, and deferred inflows of resources—are recognized in the accounts and reported in the financial statements.

WEBSTER PARISH TAX ASSESSOR

Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS / BASIS OF ACCOUNTING (continued)

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or non-current) associated with its activities are reported. Government-wide fund equity is classified as net position.

In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. The statement of revenues, expenditures, and changes in fund balance reports sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of available spendable financial resources during a given period. This approach is then reconciled, through adjustment, to a government-wide view of the operations.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlays) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31, 2012. The taxes are normally collected in December of the current year and January and February of the ensuing year.

State revenue sharing is recorded in the year the Assessor is entitled to the funds. Fees for preparing tax rolls are recognized in the period in which they are paid. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the Assessor's account. Interest income on time deposits is accrued at year end.

Expenditures

Salaries and related benefits are recorded when employee services are provided. Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased. Substantially all other expenditures are recognized when the related fund liability is incurred.

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS / BASIS OF ACCOUNTING (continued)

Unavailable ad valorem taxes

Unavailable ad valorem taxes arise when resources are received by the assessor before it has a legal claim to them, as when the ad valorem taxes are paid under protest to the tax collector. In subsequent periods, when the assessor has a legal claim to the resource and the revenue becomes available, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

D. ASSETS, LIABILITIES AND EQUITY

CASH AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts or nonnegotiable certificates of deposit. Under state law, the Assessor may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Assessor may invest in United States bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

PREPAID EXPENSES

Payments made to vendors for services that will benefit periods beyond December 31, 2012, are recorded as prepaid expenses.

ACCOUNTS RECEIVABLE

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectible is used.

CAPITAL ASSETS

Capital assets are capitalized at historical cost for items known and estimated cost is used if historical cost is not available. Approximately 90% of fixed assets are valued at actual historical costs, while the remaining 10% are based on estimated historical costs. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Assessor maintains a threshold level of \$2,500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Vehicles	5 years
Building & Improvements	40 years
Computers and Peripherals	5 years
Furniture, fixtures, equipment	5-10 years
Website and parcel conversion	10 years

Depreciation of all exhaustible capital assets is reported as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position.

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES AND EQUITY (continued)

COMPENSATED ABSENCES

The Assessor has the following policy relating to vacation and authorized time off:

Employees of the Assessor's office receive 10 to 20 days of noncumulative vacation leave each year depending on length of service. Vacation leave must be taken in the year earned. Each employee is also entitled to 15 authorized time off (ATO) days per year. ATO leave does not accumulate.

The costs of these leave privileges, computed in accordance with GASB Codification Section C60, are recognized as current-year expenditures in the General Fund when leave is actually taken.

EQUITY CLASSIFICATIONS

Net Position

In the government-wide financial statements, equity is classified as net position and is displayed in three components:

Net investment in capital assets

This category consists of capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowing attributable to the acquisition, construction or improvement of capital assets.

Restricted Net Position

This category consists of net assets with constraints placed on the use by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This category consists of all other net position that does not meet the definition of the above two components and is available for general use by the Assessor.

Fund Balances

In accordance with GASB 54, the Assessor classified fund balances in governmental funds as follows:

Nonspendable--Amounts that are not in spendable form (such as prepaid expenses) because they are legally or contractually required to be maintained intact.

Restricted--Amounts constrained to specific purposes by their providers (such as grantors or higher levels of government).

Committed--Amounts constrained by the Assessor. To be reported as committed, amounts cannot be used for any other purpose unless the Assessor takes the action to remove or change the constraint.

Assigned--Amounts the Assessor intends to use for a specific purpose.

Unassigned--All amounts not included in other spendable.

The Assessor would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserve the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. AD VALOREM TAXES

The Assessor levies taxes on real and business personal property located within the boundaries of Webster Parish. Property taxes are levied by the Assessor on property values assessed by the Assessor and approved by the State of Louisiana Tax Commission.

The Webster Parish Sheriff's office bills and collects property taxes for the Assessor. Collections are remitted to the Assessor monthly. The Assessor recognizes property tax revenues when levied.

The property tax calendar:

Assessment date	January 1, 2012
Levy date	June 30, 2012
Tax bills mailed	October 15, 2012
Total taxes are due	December 31, 2012
Penalties & interest added	January 31, 2013
Tax sale	May 14, 2013

A revaluation of all property is required to be completed not less than every four years. The last revaluation was completed for the roll of January 1, 2012. Total assessed value was \$236,369,771 in 2012. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$53,015,039 of the assessed value in 2012. For the year ended December 31, 2012, the Assessor authorized an ad valorem tax millage of 7.51 mills and levied taxes of 7.51 mills for 2012.

The following are the principal taxpayers for the Assessor (2012 amounts):

TAXPAYER	TYPE OF BUSINESS	ASSESSED VALUATION	% OF TOTAL ASSESSED VALUATION	Ad Valorem Tax Revenue for Assessor
Gulf Crossing Pipeline Co	Oil & Gas	\$ 8,328,590	3.52%	\$ 63,498
Midcontinent Express Pipeline	Oil & Gas	8,239,030	3.49%	62,815
Entergy Louisiana LLC	Utility	7,196,540	3.04%	54,867
Key Energy Services LLC	Oil & Gas	8,006,190	3.39%	61,040
DCP Midstream	Oil & Gas	7,659,990	3.24%	58,400
Calument Lubricants	Manufacturing	4,947,920	2.09%	37,723
Centerpoint Energy Gas	Utility	4,320,280	1.83%	32,938
ConocoPhillips Co	Oil & Gas	3,140,750	1.33%	23,945
Regency Intrastate Gas	Oil & Gas	3,250,910	1.38%	24,785
Fibrebond Corp.	Manufacturing	3,725,140	1.58%	28,401
Total		\$ 50,486,750	21.36%	\$ 384,915

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

3. CASH

The Webster Parish Tax Assessor has cash and cash equivalents (book balances) in interest-bearing demand and time deposits of \$29,714, LAMP deposits of \$2,251,460 and \$60 in cash for a total of \$2,281,234 at December 31, 2012.

The LAMP deposits are stated at fair value based upon quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

The cash of the Webster Parish Tax Assessor is subject to the following risks:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement of the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Assessor's name.

Cash held at December 31, 2012, include \$2,251,460 invested with the Louisiana Asset Management Pool, Inc. (LAMP), a local government investment pool. The Louisiana Asset Management Pool is administered by LAMP Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an interest in the pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Lamp, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

The Assessor's deposits are secured from custodial credit risk as follows:

At December 31, 2012, the Assessor had \$72,467 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance. The funds deposited with LAMP do not require security deposits as they are invested in obligations of the United States Government or other investments allowed by Louisiana Law.

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2012 is as follows:

<u>Governmental Activities</u>	Balance 12/31/2011	Additions	Deletions	Balance 12/31/2012
Vehicles	\$ 20,007	\$ -	\$ -	\$ 20,007
Building & Improvements	120,330	9,820	-	130,150
Computers and Peripherals	247,010	-	-	247,010
Furniture, fixtures, equipment	127,119	3,675	-	130,794
Website and parcel conversion	515,475	-	-	515,475
Total	1,029,941	13,495	-	1,043,436
Less Accumulated Depreciation:				
Vehicles	11,001	4,001	-	15,002
Building & Improvements	35,239	3,361	-	38,600
Computers and Peripherals	214,744	8,081	-	222,825
Furniture, fixtures, equipment	107,761	5,764	-	113,525
Website and parcel conversion	167,531	51,548	-	219,079
Total	536,276	72,755	-	609,031
Capital Assets, Net	\$ 493,665	\$ (59,260)	\$ -	\$ 434,405

Depreciation expense of \$72,755 was charged to the general government taxation function.

5. ACCOUNTS RECEIVABLE

As of December 31, 2012, receivables consist of the following:

Ad valorem taxes	\$ 1,776,090
State revenue sharing	54,054
Fees for preparing tax rolls	685
	<u>\$ 1,830,829</u>

6. PENSION PLAN

Plan Description - substantially all employees of the Webster Parish Tax Assessor's office are members of the Louisiana Assessors Retirement System (System), a cost-sharing multiple-employer defined benefit pension plan administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/2 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate within at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, Post Office Box 1786, Shreveport, Louisiana 71166-1786, or by calling (318) 425-4446.

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

6. PENSION PLAN (continued)

Funding Policy - Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the Webster Parish Tax Assessor is required to contribute at an actuarially determined rate. The current rate is 13.5 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Webster Parish Tax Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The Webster Parish Tax Assessor's contributions to the System for the years ending December 31, 2012, 2011, and 2010, were \$169,155, \$147,231, and \$152,540, respectively, equal to the required contributions for each year.

Per R.S. 11:1481.2(a), each assessor in the state of Louisiana shall deduct eight percent from the salaries of the assessor and the assessor's employees who are eligible for membership in the Louisiana Assessors Retirement System. Per R. S. 11:1472 2(b), the assessor may elect to pay all or a portion of the contributions per R.S. 11:1481 2(a). The Webster Parish Tax Assessor has elected to pay all contributions required for the assessor and the assessor's employees. The total paid for the years ended December 31, 2012, 2011, and 2010 (included in the contributions reported above) were \$62,995, \$55,098, and \$57,176.

7. OTHER POST-EMPLOYMENT BENEFITS

Plan Description. The Webster Parish Tax Assessor provides the full cost of coverage for continuing medical and dental care and life insurance benefits for its retired employees. Eligibility for medical coverage is based on the following:

- 55 years old and 12 years of service, or
- 30 years of service at any age

Spouses' coverage is also provided to those who are currently receiving benefits. If the retiree predeceases the spouse, coverage for the surviving spouse continues.

Funding Policy. These benefits for the retirees are provided through an insurance company on a pay-as-you-go basis. The Assessor pays 100% of the cost of current-year premiums for the nine retirees and four spouses. The Assessor recognizes the cost of providing these benefits (Assessor's cost of premiums) as an expenditure when the monthly premiums are paid. For the year ended December 31, 2012, the total amount of premiums paid for retirees totaled \$46,864.

Annual OPEB Cost and Net OPEB Obligation. Until 2009, the Assessor recognized the cost of providing postemployment healthcare and life insurance as an expense when the benefit premiums were due, financing the cost of the other postemployment benefit on a pay-as-you-go basis. Effective January 1, 2009, the Assessor implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (GASB 45). GASB 45 required the long-term cost of retirement health care benefits to be determined on an actuarial basis and reported similar to pension plans. The Assessor contracts with an actuarial consultant to provide an actuarial valuation of the OPEB liability under GASB 45. The requirements of GASB 45 are being implemented prospectively. Accordingly, for financial statements purposes, no liability was reported for the other post employment benefits at the date of transition.

The Assessor's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer* (ARC). The Assessor has elected to calculate the ARC and related information using the Unit Credit Actuarial Cost Method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

7. OTHER POST-EMPLOYMENT BENEFITS (continued)

The Assessor's estimated annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net obligation for year ended 2012 and the two preceding fiscal years is reported in the following table:

Fiscal Year Ended	Discount Rate	Annual OPEB Cost	% of OPEB Cost Contributed	Net OPEB Obligation
12/31/2010	4.00%	318,531	11.00%	574,142
12/31/2011	4.00%	313,477	14.50%	842,197
12/31/2012	4.00%	263,489	17.80%	1,058,822

The Assessor's actuarial accrued liability for benefits was \$2,110,991 all of which was unfunded for the ended 2012. The covered payroll (annual payroll of active employees covered by the plan) was \$624,391 and the ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll was 398%.

Funded Status and Funding Progress. The following table shows the components of the Assessor's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Assessor's net OPEB obligation to the Retiree Health Plan for year ended December 31, 2012:

Discount rate	4.00%
Determination of Annual Required Contribution	
Normal Cost at fiscal year end	\$ 152,102
Amortization of UAAL	129,274
Annual Required Contribution (ARC)	281,376
Determination of Net OPEB Obligation	
Annual Required Contribution	281,376
Interest on prior year Net OPEB Obligation	33,688
Adjustment to ARC	(51,575)
Annual OPEB Cost	263,489
Contributions made	(46,864)
Estimated increase in Net OPEB Obligation	216,625
Net OPEB Obligation -beginning of year	842,197
Estimated Net OPEB Obligation -end of year	\$ 1,058,822

The Assessor has 12 active and 13 retirees/spouses participating in the system with an actuarial accrued liability of \$2,110,991. As noted above, actuarial accrued liability is unfunded.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about rates of interest, future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

WEBSTER PARISH TAX ASSESSOR

Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

7. OTHER POST-EMPLOYMENT BENEFITS (continued)

The unit credit actuarial cost method was used with the estimates based to an important degree on the assumptions made relative to various occurrences, such as rate of expected investment earnings by the fund, rates of mortality among active and retired employees, rates of termination from employment, and retirement rates. In the current valuation, the actuarial assumptions used for the calculation of costs and liabilities are:

- Measurement date:
 - Benefit liabilities are valued as of January 1, 2012.
- Discount rate for valuing liabilities.
 - Without prefunding: 4.0% per annum, compounded annually.
- Mortality rates:
 - Male, RP 2000 system table with floating Scale AA projections for Males
 - Female, RP 2000 system table with floating Scale AA projections for Females

8. LEASES

The Assessor has operating leases of the following nature:

A digital postage meter system for a 36-month term, with monthly payments of \$128 dated July 1, 2010. Total rent during 2012 was \$1,504.

A copier lease for 48-month term, with monthly payments of \$423 dated June, 2010. The purchase option at the end of the lease is fair market value. Total rent during 2012 was \$5,361.

An auto lease for 45-month term, with monthly payments of \$1,093.70 which includes interest at 5%. Total lease payments for 2012 were \$14,218.

The minimum annual commitments under noncancelable operating leases are:

Year	Payments
2012	\$ 7,177
2013	3,936
2014	1,640
Totals	\$ 11,113

9. DEFERRED INFLOWS OF RESOURCES

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Assessor has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in the category. Accordingly, the item, unavailable ad valorem tax revenue, is reported only in the governmental funds balance sheet.

10. RISK MANAGEMENT

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, and injuries to employees. To handle some risk of loss, the Assessor has workers' compensation insurance for any employee injured on the job and surety bond coverage. No settled claims from these risks have exceeded insurance coverage for the past three years. There are no significant reductions in insurance coverage from the prior year.

WEBSTER PARISH TAX ASSESSOR

Minden, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2012

11. COOPERATIVE ENDEAVOR

Effective November 7, 2000, the Webster Parish Tax Assessor entered into a cooperative endeavor agreement with the Webster Parish Police Jury. In exchange for the use of property owned by the Webster Parish Police Jury for the site of the Webster Parish Tax Assessor's office, the Assessor paid \$40,000 to the Police Jury and agreed to be responsible for all renovations, property and building improvements. In return, the Police Jury is to be responsible for future ordinary maintenance, property insurance and building utilities.

12. DEFERRED COMPENSATION PLAN

Certain employees of the Webster Parish Tax Assessor participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

13. RELATED PARTY TRANSACTIONS

Procedures, observations, and inquiries did not disclose any related party transactions for the year ended December 31, 2012.

14. COMMITMENTS AND CONTINGENCIES

During 2012, the Webster Parish Tax Assessor was not involved in any litigation nor is he aware of any unasserted claims.

15. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 30, 2013, which is the date the financial statements were available to be issued.

16. ACCOUNTING CHANGE

Change in Estimate—for the year ended December 31, 2012; the Assessor corrected the assumptions used to estimate the OPEB liability. The effect of this change is reflected as an increase of \$15,420 in the beginning unassigned net position.

REQUIRED SUPPLEMENTARY INFORMATION
(PART II)

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

BUDGETARY COMPARISON SCHEDULE -- GENERAL FUND

For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive(Negative)
REVENUES				
Property taxes	\$ 1,800,000	\$ 1,800,000	\$ 1,808,116	\$ 8,116
State revenue sharing	164,000	164,000	161,592	(2,408)
Charges for services	20,000	20,000	15,190	(4,810)
Miscellaneous income	-	-	18,866	18,866
Investment earnings	3,400	3,400	5,903	2,503
TOTAL REVENUES	<u>1,987,400</u>	<u>1,987,400</u>	<u>2,009,667</u>	<u>22,267</u>
EXPENDITURES				
Personal services & related benefits	\$ 1,400,000	\$ 1,400,000	\$ 1,218,880	\$ 181,120
Operating expenses	170,000	170,000	74,922	95,078
Material & supplies	-	-	91,056	(91,056)
Debt service	25,000	25,000	-	25,000
Travel & other charges	40,000	40,000	46,280	(6,280)
Capital outlays	30,000	30,000	13,495	16,505
TOTAL EXPENDITURES	<u>1,665,000</u>	<u>1,665,000</u>	<u>1,444,632</u>	<u>220,368</u>
NET CHANGE IN FUND BALANCE	322,400	322,400	565,035	242,634
FUND BALANCE / NET POSITION				
Beginning of the year	3,494,500	3,494,500	3,494,500	-
End of the year	<u>\$ 3,816,900</u>	<u>\$ 3,816,900</u>	<u>\$ 4,059,535</u>	<u>\$ 242,635</u>

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Schedule of Funding Progress for Retiree Health Plan

Actuarial Valuation Date	Actuarial Value of Assets	Discount Rate	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio
January 1, 2010	0	4.00%	\$ 2,455,627	\$ 2,455,627	0.0%
January 1, 2011	0	4.00%	\$ 2,455,627	\$ 2,455,627	0.0%
January 2, 2012	0	4.00%	\$ 2,110,991	\$ 2,110,991	0.0%

The accompanying notes are an integral part of the financial statements.

WEBSTER PARISH TAX ASSESSOR

Minden, Louisiana

Notes to Required Supplementary Information
As of and for the Year ended December 31, 2012

Budgetary Information

The Assessor uses the following budget practices:

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the Assessor and amended during the year, as necessary. The budget is established and controlled by the Assessor at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes or amendments to the budget must be approved by the Assessor.

Formal budgetary integration is employed as a management control device during the year, and encumbrance accounting is not used by the Assessor. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts. No amendments to the budget were made during the year.

The Webster Parish Tax Assessor's budget is prepared in accordance with accounting principles accepted in the United States of America. The Webster Parish Tax Assessor's budget is adopted annually on the modified accrual basis of accounting.

The Louisiana Local Government Budget Act provides that "the total proposed expenditures shall not exceed the total of estimated funds available for the ensuing year." The "total estimated funds available" is the sum of the respective estimated fund balances at the beginning of the year and the anticipated revenues for the current year.

Schedule of Funding Progress for Retiree Health Plan

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance with Government Auditing Standards**

Webster Parish Tax Assessor
Minden, Louisiana

I have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities and the major fund of the Webster Parish Tax Assessor as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Webster Parish Tax Assessor's basis financial statements and have issued my report thereon dated June 30, 2013.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Webster Parish Tax Assessor's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Webster Parish Assessor's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Webster Parish Tax Assessor's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Webster Parish Tax Assessor's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing*

Standards in considering the entity's internal control and compliance. Accordingly this communication is not suitable for any other purpose.

This report is intended for the information and use of the Webster Parish Tax Assessor, and the Louisiana Legislative Auditor, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is a public document and its distribution is not limited.

Handwritten signature in blue ink: Deborah D. Lee, CPA

Mansfield, Louisiana
June 30, 2013

AUDIT FINDINGS

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Schedule of Findings and Responses
For the Year ended December 31, 2012

Part I. Summary of Auditor's Results

INDEPENDENT AUDITOR'S REPORT:

I have audited the basic financial statements of the Webster Parish Tax Assessor as of and for the year ended December 31, 2012, and have issued my report thereon dated June 30, 2013. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2012, resulted in an unqualified opinion.

REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER THE FINANCIAL REPORTING:

Internal Control

Material Weaknesses
Other Conditions

☐ Yes
☐ Yes

☒ No
☒ No

Compliance

Compliance Material to Financial Statements

☐ Yes

☒ No

A management letter was not issued.

FEDERAL AWARDS

Not applicable

Part II. Findings relating to the Financial Statements which are required to be Reported under *Government Auditing Standards*.

None

WEBSTER PARISH TAX ASSESSOR
Minden, Louisiana

Schedule of Prior Year Findings
For the Year ended December 31, 2012

Comments in the communication with those charged with governance.

- Taxable life insurance not included on employees' W-2s. Resolved.
- Clarify paid time off policy in regards to discretionary "medical leave." Policy changed for 2013 when the management changed, but the policy is not written. Resolved.